

**U.S. Senate**  
**Republican Policy**  
**Committee**

Larry E. Craig, Chairman  
Jade West, Staff Director  
No. 83

# Legislative Notice

Editor, Judy Gorman Prinkey

July 22, 1998

## **S. 2307 — Department of Transportation and Related Agencies Appropriations Bill, FY 1999**

Calendar No. 468

Reported from the Senate Committee on Appropriations July 15, 1998, by a vote of 28-0.  
S. Rept. 105-249.

### **NOTEWORTHY**

- The transportation appropriations bill provides a total of \$47.1 billion in new spending authority for the Department of Transportation and related agencies for fiscal year 1999. The bill provides \$4.4 billion more in FY99 than in FY98, and exceeds the President's request by \$4.1 billion. [See attached chart.]
- The bill meets the budget authority and outlay limits established in the 302(b) allocation, as revised.
- The bill provides historically high funding levels for infrastructure investment: the highway, transit and airport improvement programs are all dramatically increased above current funding levels. The bill provides a total of \$33.6 billion for investment in infrastructure used by the public, that is, highways, transit, airports, and railroads — this is a 12-percent increase over the FY98 infrastructure investment total of \$30.1 billion.

## **HIGHLIGHTS**

**Funding Levels:** The DOT bill provides a total of \$47.1 billion in new spending authority for the Department of Transportation and related agencies for fiscal year 1999. The bill meets the budget authority and outlay limits established in the 302(b) allocation, as revised. The bill provides \$4.4 billion more for FY99 than in FY98, and exceeds the President's request by \$4.1 billion.

### **Highway and Transit Programs:**

- The recently enacted Transportation Equity Act for the 21<sup>st</sup> Century (TEA21) reauthorized federal highway, transit, and highway safety programs for fiscal years 1998 through 2003. In TEA21, two obligation ceiling "firewalls" were established for highway and highway safety programs (\$25.883 billion) and for transit programs (\$5.365 billion).
- The transportation appropriations bill adheres to the programmatic obligation limitations outlined in TEA21, and has met the firewall obligation ceilings. However, the bill does not fund non-firewall programs that were authorized in TEA21 for general fund appropriations. The increase in firewall spending for highways and transit constrains the Congress's ability to provide funds for other, non-firewall programs, such as the Federal Aviation Administration and Coast Guard. Therefore, there are no funds available for newly authorized general fund programs.
- The bill funds a Federal-aid highway obligation limitation of \$25.5 billion for investment in our nation's highways. This level is \$4 billion above the President's budget request, and is consistent with the program levels established in the TEA21 firewall.
- A total of \$200 million in general funds is provided for safety and capacity enhancements on the Appalachian Development Highway System.
- Transit formula and discretionary accounts are funded at \$5.365 billion (including the Washington Metrorail system). This level is \$521 million above FY98, and is consistent with the program levels established in the TEA21 firewall.

### **Aviation and Coast Guard:**

- The bill provides \$2.1 billion for the Airport Improvement Program. This level is the highest AIP program level in history, and is \$400 million above the President's request. This program funds airport construction, enhancement, noise mitigation, and expansion projects.

- The Federal Aviation Administration's facilities and equipment account is funded at a level of \$2.045 billion, an increase of \$169 million above the FY98 level, or 9 percent. This program funds safety, capacity, and efficiency improvements of the Federal airway system by procuring and installing new equipment, and constructing and modernizing aviation facilities around the country.
- Funding for Coast Guard operations includes an increase of \$46.2 million above FY98, for total operating expenses of \$2.761 billion. This is consistent with the Administration's request, and will continue the Committee's support of the streamlined Coast Guard.

#### **Rail Programs/Amtrak**

- The bill provides \$555 million for capital grants to the National Railroad Passenger Corporation (Amtrak). These appropriated funds are provided in addition to the \$1.1 billion Amtrak will receive in FY99 as a tax refund payment as provided in the 1997 Taxpayer Relief Act, bringing the total Amtrak funding level to nearly \$1.65 billion, the highest level of federal funding in any single year of Amtrak's 28-year history.
- The remainder of the rail programs funded in the bill total \$152 million, and provide for an increase in the number of rail safety inspectors, the Federal Railroad Administration's national research and development program, and high-speed rail technology development.

#### **Safety:**

- The bill provides \$5.54 billion for the Federal Aviation Administration's operations account — 98.4 percent of the Administration request. This funding level provides a significant increase in funding for FAA air traffic services.
- The National Highway Traffic Safety Administration programs are funded at \$361.4 million, which is \$26 million above the fiscal year 1998 enacted level (an 8-percent increase), which is consistent with the program as outlined in the TEA21 authorization.
- The bill provides \$54.5 million for the National Transportation Safety Board to support the NTSB's investigatory mission and expedite the development of safety recommendations.

#### **SIGNIFICANT LEGISLATIVE PROVISIONS**

- **Project Labor Agreements:** The bill includes a provision prohibiting discrimination against contractors on federally funded highway projects based on their union or non-union status. This provision is in response to Secretary Slater's memorandum encouraging the use of "union-only" project labor agreements on federally funded highway construction projects. [See separate RPC paper to be issued on this.]

- **Amtrak Subsidy Disclosure Requirement:** The bill requires that Amtrak provide each passenger with a clear and unambiguous description of the American taxpayers' support for its operations. Using the Corporation's own fully allocated cost and ridership data, Amtrak is required to calculate the per passenger subsidy (which, according to the most recent data available, is an average loss of \$47 per passenger) and print this disclosure on each ticket sold.
- **Prohibition on new Coast Guard navigation user fees:** The bill contains language prohibiting the Coast Guard from using any appropriated funds to plan, finalize, or implement any regulation that would promulgate new maritime user fees not specifically authorized by law. The Administration had proposed \$35 million in offsetting collections from new user fees based on navigation services provided.
- **Secretary's discretionary transfer authority:** The bill includes language that permits the Secretary to transfer up to \$60 million from Federal Aviation Administration operations to Coast Guard operating expenses for the purpose of providing additional funds for drug interdiction activities. The same discretionary authority is extended to the Secretary, if he desires, to transfer up to \$60 million from Coast Guard operating expenses to the Federal Aviation Administration, for the purpose of air traffic control operations and maintenance to enhance aviation safety and security.
- **Transportation of edible oils:** The bill includes a provision requiring the Secretary to promulgate a regulation addressing response plans for marine transportation of animal fats and vegetable oils, which includes separate categorization from other non-edible oils, and which is appropriate for edible, biodegradable oils.

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## COST

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CBO estimates that the bill would result in new outlays of \$16.31 billion in FY99, \$15.23 billion in FY2000, \$6.48 billion in FY2001, \$4.24 billion in FY2002, and \$4.13 billion in FY2003 and future years.

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## ADMINISTRATION POSITION

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At press time, no official position on the bill as reported by the full Appropriations Committee had been received. However, in the July 13 statement of administration views

forwarded by the Office of Management and Budget on the subcommittee-reported bill, the OMB acting director stated that the Secretary of Transportation will recommend that the President veto the bill if it includes the general provision regarding project labor agreements (section 322).

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## **POSSIBLE AMENDMENTS**

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At press time, no amendments were known that were expected to undergo roll call votes. However, the following issues were raised at full committee markup of the bill, and were deferred for floor consideration:

**Transportation of agricultural products within state borders:** An amendment may be offered by Senator Burns which would allow states to continue to provide exceptions from certain federal hazardous materials requirements for local movements of agricultural products.

**Motion to amend or strike Amtrak subsidy disclosure requirement:** An amendment may be offered by Senator Hutchison or Senator Lautenberg to strike or amend the requirement that Amtrak calculate the per passenger subsidy and print this disclosure on each ticket sold.

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Attachment: Chart

DEPT. OF TRANSPORTATION & RELATED AGENCIES – FY 1999 SENATE ACTION (\$ in millions)

Office and program	1998 Enacted	1999 Admin. Request	TEA-21 Firewall	Senate Bill (S. 2307)
<b>TITLE I-DEPARTMENT OF TRANSPORTATION</b>				
<b>Office of the Secretary:</b>				
Salaries and expenses	61.0	61.9		57.8
Office of Civil Rights	5.6	7.0		5.6
Transportation, planning, research and development	4.4	4.7		8.3
Transportation administrative service cntr - limitation	[121.8]			[165.2]
Payments to air carriers 1/	[-41.6]			0.0
Minority business resource center	1.9	1.9		1.9
Minority business outreach	2.9	2.9		2.9
Amtrak reform council	2.5	0.5		0.5
Subtotal, Office of the secretary	78.3	78.4	N/A	77.0
<b>Coast Guard:</b>				
Operating expenses 2/	2,715.4	2,771.7		2,761.6
Acquisition, construction & improvements	397.9	443.0		388.7
Environmental compliance and restoration	21.0	21.0		21.0
Alteration of bridges 3/	17.0	0.0		20.0
Retired pay (scores as mandatory)	653.2	684.0		684.0
Reserve training	67.0	67.0		67.0
Research, development, test, and evaluation	19.0	18.3		17.5
Boat safety 4/	35.0	0.0		0.0
Subtotal, Coast Guard	3,925.4	4,005.0	N/A	3,959.8
<b>Federal Aviation Administration:</b>				
Operations (includes offsetting collections)	5,351.9	5,631.0		5,538.3
Facilities and equipment	1,875.5	2,130.0		2,044.7
Research, engineering and development	199.2	290.0		173.6
Grants in aid for airports	1,700.0	1,700.0		2,100.0
AIP contract authority rescission	[-412]			0.0
Subtotal, Federal aviation administration	9,126.6	9,751.0	N/A	9,856.6
<b>Federal Highway Administration:</b>				
Limitation on general operating assistance	[552.3]	[325.4]		[320.4]
<b>Federal-aid highways:</b>				
Limitation	21,500.0	21,500.0	25,511.0	25,511.0
Exempt programs	1,597.1	1,265.1		1,207.9
Subtotal, Federal-aid program	23,097.1	22,765.1		26,718.9
Appalachian development highway system	300.0	0.0		200.0
Motor carrier safety grants	84.8	100.0	100.0	100.0
Transportation infrastructure credit program	0.0	100.0	[80.0]	[80.0]
State infrastructure banks	0.0	150.0		0.0
Subtotal, Federal highway administration	23,481.9	23,115.1		27,018.9
<b>National Highway Traffic Safety Administration:</b>				
Operations and research	147.0	172.9	72.0	159.4
National driver register	2.3	2.3		2.0
State and community grants (sec. 402)	149.7	171.7	150.0	150.0
Occupant protection incentive grants	0.0	20.0	10.0	10.0
State highway safety data grants	0.0	0.0	5.0	5.0
Alcohol-impaired driving countermeasures (sec 410)	34.5	39.0	35.0	35.0
Subtotal, National highway traffic safety admin.	333.5	405.9	25,883.0	361.4
<b>Federal Railroad Administration:</b>				
Office of the administrator	20.3	21.6		21.0
Railroad safety	57.1	62.0		61.9
Railroad research and development 5/	20.8	23.8		25.8
Next generation high speed rail	20.4	12.6		28.5
Alaska railroad rehabilitation	10.0	0.0		10.0
Rhode Island rail development	10.0	10.0		5.0
Northeast corridor improvement program 6/	250.0			
Amtrak Operations	344.0	0.0		0.0
Amtrak Capital 6/		621.5		555.0
Amtrak — Taxpayer relief act funds	1,091.8	1,091.8		1,091.8
Subtotal, Amtrak, NECIP and TRA	1,685.8	1,713.3		1,646.8
Subtotal, Federal railroad administration	1,824.3	1,843.3	N/A	1,799.0

## DEPT. OF TRANSPORTATION &amp; RELATED AGENCIES -- FY 1999 SENATE ACTION (\$ In millions)

Office and program	1998 Enacted	1999 Admin. Request	TEA-21 Firewall	Senate Bill (S. 2307)
<b>Federal Transit Administration:</b>				
Administrative expenses	45.7	48.1	54.0	54.0
University transportation centers	6.0		6.0	6.0
Transit planning and research 7/	92.0	92.0	98.0	98.0
Formula grants	2,500.0	3,609.0	2,850.0	2,850.0
Discretionary grants	2,000.0		2,257.0	2,257.0
(Fixed guideway modernization)	[800]	[876]	[902.8]	[902.8]
(Buses and bus facilities)	[400]	[438]	[451.4]	[451.4]
(New starts)	[800]	876.0	[902.8]	[902.8]
Access to jobs and training		100.0	50.0	50.0
Washington metropolitan area transit authority	200.0	50.3	50.0	50.0
Subtotal, Federal transit administration	4,843.7	4,775.4	5,365.0	5,365.0
<b>Research and special programs administration:</b>				
Research and special programs	29.0	29.7		29.0
Pipeline safety	32.8	35.5		34.2
Emergency preparedness grant	0.2	0.2		0.2
Subtotal, Research and special programs	62.0	65.4	N/A	63.4
<b>Office of Inspector General</b>	42.0	42.5	N/A	42.7
<b>Saint Lawrence Seaway Development Corporation 8/</b>	11.2	0.0	N/A	11.5
<b>Surface Transportation Board:</b>				
Salaries and expenses	13.9	16.0		13.9
Offsetting collections	[2]	[16.0]		[2.0]
Subtotal, Surface transportation board	13.9	16.0	N/A	13.9
<b>TITLE II--RELATED AGENCIES</b>				
Architectural and Transportation Barriers Compliance Bd.	3.6	3.8	N/A	3.8
<b>National Transportation Safety Board:</b>				
Salaries and expenses	53.8	53.2		53.5
Emergency fund	1.0	1.0		1.0
Subtotal, National transportation safety board	54.8	54.2	N/A	54.5
<b>TITLE III--GENERAL PROVISIONS</b>				
Rescission of contract authorization (ISTEA transit disc.)				(382.0)
TASC Reduction	(3.0)			(10.5)
<b>TOTAL, DOT Approps.</b>	<b>42,706.4</b>	<b>43,064.2</b>		<b>47,143.2</b>

- /1 FY99 request assumes \$50 M mandatory program  
/2 Both FY98 and FY99 include \$300 M transfer from DoD  
/3 FY99 request includes alteration of bridges program in highway trust fund  
/4 FY99 request assumes mandatory contract authority boat safety program  
/5 FY99 request amount includes \$3 M for nationwide differential GPS  
/6 FY99 request assumes NECIP funded within capital grants  
/7 FY99 request includes UTCs in research program; formula program funds buses & rail mod.  
/8 FY99 request assumes enactment of PBO status and mandatory funding.